

What impact will the change to a short plan year have on my Dependent Care FSA?

The State of Colorado Salary Reduction Plan document has been amended to change the plan from a calendar year to a fiscal year effective July 1, 2005, with a short plan year during the transition. During the short plan year (January 1, 2005, through June 30, 2005), the maximum amount that may be contributed to the Dependent Care Flexible Spending Account is \$2500, the minimum \$60. You will have an opportunity to enroll again, in April, for the plan year beginning July 1, 2005.

Under federal rules the maximum amount you may contribute to the Dependent Care Flexible Spending Account depends upon your marital status at the end of the calendar year as well as your income and your spouse's income individually for the calendar year. This means that if you participate you need to keep track of your contributions to date for both the calendar year as well as the plan year. This is particularly important if you or your spouse are between jobs at any time during the calendar year or if you divorce or marry. Please refer to the [Amendment to the Salary Reduction Plan](#) for details.